809.406-3

809.406-3 Procedures.

- (a) The Deputy Assistant Secretary for Acquisition and Materiel Management shall, upon a receipt of a recommendation for debarment, appoint a designee to conduct an investigation, initiate debarment and present the facts to the debarring official for consideration and action.
- (b) The appointed designee shall issue the proposed debarment notice as required by FAR 9.406–3(c).
- (1) If no reply is received from the firm or individual to the notice of proposed debarment, the case will be referred to the debarring official for decision on the basis of information available.
- (2) When a reply is received, the information provided will be considered by the appointed designee prior to making a recommendation to the debarring official. If the contractor's submission in opposition to the debarment raises a genuine dispute over facts material to the proposed debarment, the designee appointed by the Deputy Assistant Secretary for Acquisition and Materiel Management will conduct a fact-finding as prescribed by FAR 9.406–3(b)(2).
- (3) Upon completion of the fact-finding with respect to disputed facts, a written findings of facts will be provided to the debarring official.
- (4) The debarring official shall make a decision on the basis of all information available including findings of facts, and/or arguments submitted by the contractor

[49 FR 12594, Mar. 29, 1984, as amended at 50 FR 791, Jan. 7, 1985]

809.406-4 Period of debarment.

The period of debarment will be based upon the circumstances involved but will not, except in unusual circumstances, exceed a period of 3 years. The Deputy Assistant Secretary for Acquisition and Materiel Management may for those firms or individuals debarred by the Department of Veterans Affairs decide to remove the debarment, reduce the period of debarment, or amend the scope of the debarment, if indicated, after review of documentary evidence submitted by or in behalf of the contractor setting forth

the appropriate grounds for granting of such relief. Such grounds may be, but are not limited to, newly discovered material evidence, reversal of a conviction, bona fide change of ownership or management or the elimination of the cause for which debarment was imposed.

809.407 Suspension.

809.407-1 General.

The Deputy Assistant Secretary for Acquisition and Materiel Management is the suspending official for the Department of Veterans Affairs.

809.407-3 Procedures.

- (a) Suspension may be recommended by any Department of Veterans Affairs employee. These recommendations will be submitted to the Deputy Assistant Secretary for Acquisition and Materiel Management and must be supported by documentary evidence of a cause listed in FAR 9.407-2.
- (b) The Deputy Assistant Secretary for Acquisition and Materiel Management shall designate an official to initiate suspension, conduct an investigation and present the facts to the suspending official for consideration and appropriate action.
- (c) The designee shall issue the proposed suspension notice as required by FAR 9.407–3(c).
- (1) If no reply is received from the contractor to the notice of proposed suspension, the case will be referred to the suspending official for decision on the basis of information available.
- (2) When a reply is received, the information provided will be considered by the official conducting the suspension proceedings prior to referring the case with recommendations to the suspending official. If the contractor's submission in opposition to the suspension raises a genuine dispute over facts material to the proposed suspension, the designee of the Deputy Assistant Secretary for Acquisition and Materiel Management will conduct a fact-finding as prescribed by FAR 9.407-3(b)(2).
- (3) Upon completion of the informal hearing with respect to the disputed facts, a written findings of facts will be prepared and presented to the suspending official.

(4) The suspending official shall make a decision on the basis of all information available including findings of facts, and/or arguments submitted by the contractor.

Subpart 809.5—Organizational Conflicts of Interest

809.504 Contracting officer's responsibilities.

(a) Contracting officers will be responsible for determining the existence of actual and/or potential organizational conflicts of interest which would result from the award of the contract. The contracting officer will be guided by information submitted by offerors and by his/her own judgment. The contracting officer may obtain the advice of legal counsel and the assistance of technical specialists in evaluating potential organizational conflicts.

(b) If it is determined that organizational conflicts of interest will be created by the award of the contract, the contracting officer may find an offeror nonresponsible.

(c) Notwithstanding the existence of organizational conflicts of interest, it may be determined that the award of the contract would be in the best interest of the Government. In that case, the contracting officer may set terms and conditions which will reduce the organizational conflicts of interest to the greatest extent possible, with the approval of the head of the contracting activity.

(d) The contracting officer will, in addition to any certifications required by this subpart, require in all solicitations for consulting services that the offeror submit as part of an offer a statement which discloses all relevant facts relating to existing or potential organizational conflicts of interest surrounding the contract and/or the proposed use of subcontractors during the contract.

809.505 General rules.

The determination that organizational conflicts of interest exist can only be made when facts surrounding individual contracting situations are known. Therefore, it is up to the contracting officer to exercise common sense, good judgment and sound discre-

tion in making such a determination and to take steps to mitigate to the greatest extent possible organizational conflicts of interest. The contracting officer will be guided by at least two underlying principles. These are that organizational conflicts of interest may result from (a) conflicting roles and interests of the contractor, in which case he/she would be unable to give unbiased and objective advice or may otherwise produce a biased work product; or (b) unfair competitive advantage which exceeds a normal flow of benefits from the award of the contract.

809.508-2 Contract clause.

The representation in 852.209-70, Organizational Conflicts of Interest, will be made a part of all solicitations for consulting services.

 $[49~\mathrm{FR}~12594,~\mathrm{Mar}.~29,~1984,~\mathrm{as}~\mathrm{amended}~\mathrm{at}~50~\mathrm{FR}~791,~\mathrm{Jan}.~7,~1985]$

Subpart 809.7—Defense Production Pools and Research and Development Pools

809.702 Contracting with pools.

Department of Veterans Affairs contracting officers will be advised of, consider bids from, and make awards to, Small Business and Defense Production Pools. The Chief Medical Director, or designee, will notify the appropriate administrations and staff offices when such pools are approved.

[49 FR 12594, Mar. 29, 1984, as amended at 54 FR 40063, Sept. 29, 1989]

PART 811—DESCRIBING AGENCY NEEDS

Sec.

811.001 Definitions.

Subpart 811.1—Selecting and Developing Requirements Documents

- 811.104 Items particular to one manufacturer
- 811.104-70 Purchase descriptions.
- 811.104-71 Bid evaluation and award.
- $811.104\mbox{--}72$ Procedure for negotiated procurements.